

LOCATIONS:

- Inland Empire
- Los Angeles
- San Fernando Valley
- West Los Angeles



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Angela Garner  
Deputy Director  
Division of State Demonstrations and Waivers  
Center for Medicaid and CHIP Services, CMS  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, MD 21244-1850

January 23, 2015

**Re: Proposed California Amendment to Bridge to Health Reform Demonstration  
(No. 11-W-00193/9), Drug Medi-Cal Organized Delivery System Waiver**

Dear Ms. Garner:

I write on behalf of the nearly 400 patients who receive substance use disorder treatment services at our opiate treatment program located at 5220 W. Washington Blvd, Los Angeles. We are strongly opposed to sections of the California Bridge to Reform Demonstration (No. 11-W-00193/9) Amendment for Drug Medi-Cal Organized Delivery System Waiver, submitted by the California Department of Health Care Services. Our concern, based on 23 years of program operation, is that waiving federal access protections and granting Los Angeles County authority to establish reimbursement rates will result in decreased access to critical, life-saving treatment services.

The current proposal will waive beneficiary freedom of choice, equality in amount, duration and scope, state wideness and reasonable promptness, some of which form the basis of a lawsuit 20 years ago called Sobky Vs. Smoley. Before that lawsuit, Los Angeles County limited access to our services by restricting authorized treatment slots and/or funding. After the lawsuit, the County complied with the permanent injunction. As a result, significantly more people have entered treatment and beneficiaries can access medically-necessary treatment on demand, without the waiting lists that were standard practice before the lawsuit. This waiver is likely to overturn that lawsuit and cause the California and Los Angeles County to regress back more than 20 years at a time when we are experiencing a nationwide epidemic of illicit opioid use; increased use by young people; and many overdose deaths that could be avoided with the treatment we provide. We ask that CMS **NOT** do anything that may undermine the permanent injunction that was based on overwhelming evidence of county efforts to limit access. Instead, we suggest CMS require California to carve-out opiate treatment providers from this waiver. Such carve-out will not preclude Los Angeles County from contracting with our program and offering OTP services to County residents.

My organization, the Matrix Institute on Addictions, is known across the country and internationally for the Matrix Model Intensive Outpatient Treatment. Along with the development of the Matrix Model the Matrix Institute has been doing other work that involves medication-assisted treatment. In the early 1990's Matrix established an Opioid Treatment Program (OTP) which has continued to the present.



Shortly thereafter, Matrix Institute was contracted by SAMHSA to write the Technical Assistance Publication (TAP) 7, "Treatment of Opiate Addiction with Methadone: a Counselor Manual," (McCann et al., 1994). Ten years later Matrix was contracted by SAMHSA and the Danya Learning Center to author "Buprenorphine Treatment of Opioid Addiction: a Counselor's Guide," (McCann et al., 2004). Over the past 13 years with SAMHSA/CSAT funding, the Matrix OTP has incorporated evidence-based behavioral interventions along with methadone treatment. Matrix Institute sites have also participated in a large number of NIDA-funded studies of medications for opioids, stimulants, and alcohol. Our opinions on the matter discussed here are based upon vast experience in addiction treatment and with all of the medications approved for opioid dependence. Methadone is by far the most researched and most effective medication of all those available and limiting patient access would be a devastating blow to the opioid treatment system and to the public health of California.

I should also mention that our OTP works with the St. John's Well Child and Family Center (an FQHC) accomplishing a meaningful integration of care in the spirit of the Affordable Care Act. These are patients with serious medical and psychiatric problems; over 90% have hepatitis C. A reduction in access to treatment will also amount to the discontinuation of the greatly needed array of services patients now received in addition to methadone treatment. Opioid users who cannot access methadone treatment are 8 times more likely to fatally overdose. Most will have undiagnosed and untreated medical and psychiatric conditions. The effect of this waiver would amount to a "disintegration of care," the diametric opposite of the goal of ACA.

Financing of the Special terms and Conditions says counties will propose county-specific rates and the State will approve the rates. This will affect access and result in denial, delay, and limitation of services when rates are insufficient to attract sufficient providers to meet beneficiary needs and demands. This provision will also result in unequal treatment of beneficiaries based on the rates paid in different counties. Furthermore, the counties have proposed reverting from the current fee-for-service system to an antiquated cost-reimbursement system. The current system provides incentives for efficiency and aligns payment for services with evidence-based services, ensuring the best possible patient outcomes. Cost reimbursement, on the other hand, rewards inefficiency and greater costs with no connection to outcomes. That is why Congress and most every other payor has moved away from cost reimbursement systems.

The Matrix Institute on Addictions requests that narcotic treatment programs be exempted from the Organized Delivery System waiver for the above stated reasons.

Thank you for your consideration of this request.

Sincerely,



Michael McCann, M.A.  
Associate Director/Director of Research